

## **REMARKS**

Applicant has reviewed the Office Action and the references relied upon by the Examiner.

### **Claim Rejections – 35 U.S.C. § 101**

The Examiner cited *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978) for the proposition that there existed a two prong test for patentable subject matter under 35 U.S.C. § 101; (1) the "Freeman Walter-Abele" test, which excepts from patentable subject matter abstract ideas, and (2) the "technological arts analysis," which examines whether the claimed subject matter falls within the "technological arts." The examiner then concedes that the *State Street* decision abolished the "Freeman Walter-Abele" test used in *In re Toma*, but states that the "technological arts" analysis remains because the subject matter at issue in *State Street* was found to be within the "technological arts;" thus the "technological arts" test was never addressed by the court. *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998). To buttress this view, the Examiner cites *Ex parte Bowman* as recognizing the existence of the "technological arts analysis." 61 USPQ 2d (BNA) 1669 (Bd.PatApp&Int 2001).

We respectfully disagree insofar as the Precedential Opinion of *Ex parte Lundgren* clearly overturns any notion of a separate "technological arts" test as cited by the Examiner. *Ex parte Lundgren*, Appeal No. 2003-2088 (BPAI 2005). The Board of Patent Appeals and Interferences in *Ex parte Lundgren* also specifically addresses *In re Bowman* as non-precedential, and not binding. Further, *In re Lundgren* cites the Supreme Court Decision of *Gottshalk v. Benson* as not adopting the "technological arts" test when it was before the court.

Therefore, there exists no "technological arts" test to overcome, which was the primary basis for the Examiner's rejection of claims 1-9.

Additionally, the Examiner states that none of the steps in the present application indicate any connection to a computer or technology. This requirement for a process to be performed by a computer or technology also appears to have been taken from *In re Toma's* overturned "technological arts" test. However, In *Ex parte Lundgren*, the Board declared as patentable subject matter an economic theory expressed as an algorithm without the disclosure or suggestion of a computer, automated means, or apparatus of any kind. Further, the court in *Ex parte Bowman* rejected an application for a method of creating a chart and plotting a point thereon only because the applicant had "carefully avoided tying the disclosed and claimed invention to any technological art or environment." In contrast, the present applicant ties the invention to several "technological arts or environments," (i.e., the electronic handling of the title and vehicle registration process, and a website platform for inputting and manipulating data from a mechanic's inspection report.)

The *State Street* decision also indicates that there exists no business method exception to patentability, and that statutory subject matter should be determined based on whether the invention produces a useful, concrete, and tangible result. The Examiner in *Ex parte Lundgren* found such a useful, concrete and tangible result in claims directed at shifting physical assets (compensation) to a manager who exercises control over operations. Similarly, claims in the present application shift physical assets (titled property, money, and third-party reports) among the parties involved in facilitating the purchase and sale of used cars.

Thus, we respectfully disagree with Examiners proposition that the applicant's invention does not fall within statutory subject matter as set forth on 35 USC § 101.

### **Claim Rejections – 35 USC § 103**

#### **A. Obviousness Rejection under 35 U.S.C § 103(a) as to all Claims**

Examiner cites as prior art *Andersen, et al* (U.S. Patent No. 5,774,883, issued June 30, 1998, hereinafter “Andersen”) in view of “Gartner Group says E-Bay and Auto Trader.com Partnership Should Improve Conversion Purchasing Rates for Online Used Cars.” *Business Editors/High Tech Writers. Business Wire. New York: March 7, 2000* (hereinafter “*Business Wire*”).

The applicant respectfully disagrees that the *Business Wire* reference qualifies as prior art. 35 U.S.C. § 119 (e)(1) indicates that an application for patent shall have the same effect as though filed on the date of its provisional application if the application is filed not later than 12 months after the date on which the provisional application was filed. The present provisional application was filed on March 7, 2000, and the non-provisional application was filed on March 7, 2001. Therefore, the application is entitled to a March 7, 2000 filing date.

Because *Business Wire* was published on the same day that the present application was filed, the invention was not described in a printed publication before the invention by the applicant, nor was it described in a printed publication more than one year prior to the present application for patent. To qualify as prior art, *Business Wire* would have to have been published on March 6, 2000 or an earlier date.

Thus, no claims cited in the Office Action would have been rendered obvious to a person ordinarily skilled in the art because Andersen could not have been read in view of Business Wire. However, even if Business Wire is found to be applicable to this obviousness inquiry,

each claim not rendered obvious in view of *Business Wire* is presumed valid as set forth in 35 USC § 282. The following arguments set forth specific responses to the Office Action.

**B. Obviousness Rejections under 35 U.S.C § 103(a) as to claims 1-3 and 8-12.**

**Independent Claim 1, Claim 8 and Claim 10.** Examiner cited *Andersen* in view of *Business Wire*. Several differences exist between *Andersen* and the present application. *Andersen* refers to a method of validating the sale of an asset by employees of an automotive dealership. The present invention specifically concerns facilitating a transaction between two private parties. In *Andersen*, the title to the asset has already been delivered from the seller to the automotive dealership, thus the asset has been transferred to a third party. In the present application, it is the very method of combining services which are then offered to private parties, without the involvement of any third party (i.e. automotive dealership), and without intermediate transfer of ownership which is at issue. Further, the disclosure in *Business Wire* is insufficiently detailed to render the present application obvious. *Business Wire* does not contemplate agent-assisted transactions as utilized in the present application, nor does *Business Wire* describe in any detail how “escrow services for ensuring that the financial and legal aspects of said sale occur;” *Business Wire* simply makes the generic statement that “All online car buying web sites try to establish confidence in buyers’ and sellers’ minds by providing additional services that will protect the online transaction. These services can range from offering a third-party escrow service to...an inspection...or...warranty.” Claim 8 of the present application specifically describes the method for which an agent coordinates such escrow services in conjunction with arranging for transfer of title, delivery of funds, and satisfaction of liens without the intermediate transfer of ownership of the vehicle to any party other than buyer. This assistance of an agent is also inherent in claims 1 and 10. Further, independent claim 1, claim 8, and claim 10 of the

present invention incorporate into the facilitation of asset-based financing the combination of: a) the validation of the assets, b) the acquisition of financing, and c) the provision of escrow services, all with the assistance of a disinterested agent, in the absence of the intermediate transfer of ownership to a third party that has an interest in the transaction (i.e. an automotive dealership). In fact, as described in *Business Wire* and *Andersen*, the large number of online used car researchers combined with the competitiveness of the online business environment would suggest that a long-felt need existed at that time for a business method which provided customers wishing to purchase used cars with the same confidence that they would receive at an automobile dealership, but without the costs, intimidation, and hassle associated therewith.

**Claims 2, 3, 9, 11 and 12 .** Examiner cites *Anderson* as having disclosed a validation comprising: a) an examination of the asset and creation of descriptive information regarding the asset and its condition, and recording descriptive information in a report, and b) an inspection of the asset and a recommendation for repairs or alterations of the asset. However, *Andersen* does not contemplate validations occurring: a) with the assistance of an independent third party agent that is disinterested in the transaction, and/or b) in the context of a transaction that will not involve an intermediate transfer of ownership of the asset, and/or c) in combination with the provision of escrow services. The combination of these factors, as a whole, render claims 2, 3, 9, 11 and 12 non-obvious over *Anderson*.

C. Obviousness Rejection under 35 U.S.C § 103(a) as to Claims 4-7 and 13-16

We respectfully disagree that the *Business Wire* reference qualifies as prior art for the reasons stated in Section A above. Thus, claims 4-7 and 13-16 would not have been obvious because *Andersen* could not have been read in view of *Business Wire*. However, even if

*Business Wire* is found to be applicable to this obviousness inquiry, the following arguments set forth specific responses to the Office Action.

**Claims 4-7 and Claims 13-16.** Examiner cited *Andersen* and *Business Wire* in view of *Finch*. *Andersen* refers to a method of validating the sale of an asset by employees of an automotive dealership. The present invention specifically concerns facilitating a transaction between two private parties. In *Andersen*, the title has already been delivered from the seller to the automotive dealership, thus the asset has been transferred to a third party. In the present application, it is the very method of combining services which are then offered to private parties, without the involvement of any third party (i.e. automotive dealership), which is at issue. Further, neither the disclosure in *Business Wire* nor *Finch* contemplates agent-assisted transactions as are discussed in claims 1 and 10 of the present application, nor does *Business Wire* or *Finch* describe in any detail how “escrow services for ensuring that the financial and legal aspects of said sale occur;” *Business Wire* simply makes the generic statement that “All online car buying web sites try to establish confidence in buyers’ and sellers’ minds by providing additional services that will protect the online transaction. These services can range from offering a third-party escrow service to...an inspection...or ...warranty.”

In contrast, claims 4-7 and 13-16 of the present invention involve a combination of tag and title services, resolving liens and paying lien holders, and attending to recordal of new liens in addition to: a) the validation of the assets; b) the acquisition of financing, and c) the provision of escrow services with the implied assistance of an disinterested agent, all in the absence of an intermediate transfer of ownership to a third party (i.e. automotive dealership).

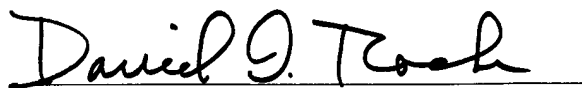
It is the very method of combining services which are then offered to private parties, with the assistance of an agent that is disinterested in the transaction, and without the involvement of

any intermediate title holder (i.e. automotive dealership), which render the claims 4-7 and 13-16 in the present application non-obvious. In fact, as described in *Business Wire* and *Andersen*, the large number of online used car researchers combined with the competitiveness of the online business environment would suggest that a long-felt need existed at that time for a business method which provided customers wishing to purchase used cars with the same confidence that they would receive at an automobile dealership, but without the costs, intimidation, and hassle associated therewith. *Finch* expressly states that a need exists for such a "centralized, easily accessible computer database" containing such information.

Applicant respectfully requests that a timely Notice of Allowance be issued in this case. Applicant requests an extension of time for filing a response within the third month following expiration of the shortened statutory period. You are authorized to deduce the extension of time fee from the deposit account of Baker & McKenzie (Acct. No. 02-0400), and a fee calculation sheet (in duplicate) is attached hereto. When making deductions from our deposit account, we ask that you reference our Attorney Docket Number **A2A-101**.

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Respectfully submitted,

A handwritten signature in black ink, reading "David J. Roche", written over a horizontal line.

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